

JOINT MEETING OF
HEALTH & EDUCATION COMMITTEE
BUDGET COMMITTEE and SCHOOL BOARD

May 26, 2009

5:30 p.m.

Board of Education

MINUTES:

MEMBERS PRESENT:

Commissioner Carol Cook
Commissioner Trey Gooch
Commissioner Jeff Jordan
Commissioner Will Jordan
Commissioner Jeff Phillips
Commissioner Ronald Williams
Commissioner Bob Bullen, Chm

Commissioner Joe F. Jernigan
Commissioner Robert Peay
Commissioner Steve Sandlin
Commissioner Doug Shafer
Commissioner Joyce Ealy, Chm

OTHERS PRESENT:

Ernest Burgess Rick Wise
Harry Gill Grant Kelley
Lisa Nolen Mark Byrnes
Dorris Jernigan Joyce Michaels
Donald Jernigan Jeff Sandvig
Terry Hodge Jim Daniel
Wayne Blair Don Odom
Gary Clardy Becky Shelton

Chairman Bullen presided and called the joint meeting of the Health & Education Committee, Budget Committee and School Board to order at 5:30 p.m. to include presentation of the 09/10 School Board budget.

MINUTES:

"Commissioner J. Jordan moved, seconded by Commissioner W. Jordan, to approve the minutes of the last meeting as mailed. This motion passed unanimously by acclamation."

SCHOOL BOARD REPORT:

The first item presented was the proposed 2009/2010 budget. Superintendent Gill advised historically the budget has been presented in tiers but recognizing the economic conditions and difficulties this year the School Board was presenting a status quo budget with some reductions. Mr. Gill advised the Brown's Chapel School is being opened this year and the budget as presented provides for 72.7 new positions including 3 middle school principals, a part-time assistant principal and 55.4 new teachers. The School Board is not recommending any raises but the budget as presented does include 6 or 7 promotions. The Committee was advised 2% to 2.5% growth is anticipated. The Committee was advised of major increases in the proposed budget included medical insurance for active employees and retirees, school messenger system, utilities, custodial supplies and 5 transport buses and 1 special ed bus.

The budget includes \$1,848,422 in step raises for certified personnel and \$400,588 in step raises for classified personnel. Mr. Gill advised there were enough other cuts to cover the \$2,249,010 in step raises and the step raises to certified staff are required by State law and contract.

The Committee was advised anticipated revenues are \$241,306,809 with projected expenses of \$243,632,755 for a shortfall of \$2,325,946. With no other revenue, the budget requires a 5.4¢ property tax increase.

The Committee was provided a summary of the budget. The

Committee questioned a 42% and 45% increase in utility line items.

The Committee was advised with the incoming freshman class graduation standards are higher and all students must earn 22 credits to graduate and was provided information on the requirements.

Commissioner Shafer advised it was hard to support step raises for classified personnel when only 3 other persons in County employment are getting raises and these 3 are due to State law requiring increases for General Sessions Judges. Commissioner Shafer advised the County is postponing year 4 of the pay plan to next year. Dr. Byrnes advised the raises being given are step raises and they too have postponed the third year of their pay plan.

The Committee was reminded it can only set a dollar amount of money and cannot cut specific programs. The Committee still questioned the increase in utilities and Mr. Sandvig advised after all amendments are entered the percentage increase in the 09/10 budget will not be what it is projected at now and the final percentage will be reduced when the actual amount spent on utilities this year is available. Following discussion,

"Commissioner Williams moved, seconded by Commissioner J. Jordan, to approve the School Board budget as presented at 5.4¢ tax increase or \$243,632,755 for the School Board 2009/2010 budget. This motion passed unanimously by roll call vote."

The Committee was next presented information on the 2009/2010 Centralized Cafeteria budget, Fund 143, being advised the Centralized Cafeteria budget reflects \$14,519,150 in revenues and \$14,124,300 in expenditures with a net increase to fund balance of \$394,850. The most significant change when compared to the amended 08/09 budget is an additional \$240,000 in equipment to continue replacing and upgrading equipment in older schools and schools where increased enrollment requires modification to the cafeteria facilities. Following discussion,

"Commissioner Cook moved, seconded by Commissioner Phillips, to approve the 2009/2010 Centralized Cafeteria Fund with revenues of \$14,519,150 and expenditures of \$14,124,300 as presented. This motion passed unanimously by roll call vote."

The Committee was next presented the 2009/2010 Major Maintenance Projects budget based on revenues of \$2,256,316 and \$2,234,204 in expenditures. This budget is funded by 5¢ of the property tax. Following discussion,

"Commissioner Gooch moved, seconded by Commissioner Cook, to approve the 2009/2010 Major Capital Project budget with \$2,256,316 in revenues and \$2,234,204 in expenditures and to approve the specific 2009/2010 projects as presented. This motion passed unanimously by roll call vote."

The Committee was next advised of the following requested actions: (1) on May 22, 2008 the School Board approved the petty cash (cash on hand) accounts for the Centralized School Cafeteria Fund (Fund 143) for each school nutrition location in the amount of \$10,195 for the purpose of making change. It is recommended to increase the amount by \$144 for a total of \$10,350 for the 2009/2010 school year to include the new Brown's Chapel Elementary School cafeteria, to increase Blackman High School by \$125 due to an increase of serving lines and a net change in several other schools. The School Nutrition Manager positions are designated as the Petty Cash Custodians and they will sign a receipt for petty cash funds received, will agree to abide by the County guidelines for petty cash and change accounts; (2) presented a \$42,332 cleanup amendment for this year's Safe Schools Grant from the State. This is a multi-year reimbursement grant and

the exact expenditures are not known when the GPS budget is approved. The amendment presented reflects the reimbursements anticipated to be received this fiscal year. No local funds are used as part of this grant and the additional funds are entirely from the State; (3) an amendment to clean up the State career ladder and extended contract expenditures and reduce the State revenues for these expenditures. The amendment decreases the Extended Contract revenue by \$47,135 and increases the Career Ladder revenue by \$41,082. The net \$6,053 decrease in these State revenues is offset by a \$6,053 reduction in Career Ladder and Extended Contract expenditures; (4) an amendment funding \$642,500 in retirement incentives and \$49,141 for FICA and Medicare on the incentives. \$691,651 from the General Purpose School Fund Balance is being used to fund the retirement incentive; (5) an amendment funding \$33,269 in additional pay for Adult Education teachers and \$4,681 for benefits; (6) a clean up amendment of \$407,910 amending the Central Middle Renovation Building Improvements with \$229,046 from LaVergne Primary Renovation (Building Improvements), \$28,862 from Holloway High (HVAC), \$2 from Riverdale High addition and \$150,000 from Rockvale Middle, (Equipment). \$222,229 in Site Development for the future Rockvale High is being funded with \$43,014 remaining from the Holloway HVAC and \$179,215 from the Rockvale City/County sewer project; (7) a clean up amendment for the 08/09 cafeteria fund budget increasing the budgeted fund balance by \$245,614. The amendment reduces revenues by a total of \$786,386 and reduces expenditures by a total of \$1,032,000. Following discussion,

"Commissioner J. Jordan moved, seconded by Commissioner Gooch, to approve (1) increase in the 2009/2010 Centralized School Cafeteria Fund 143 petty cash (Cash on Hand) to the amount listed for each school nutrition location for a total amount of \$10,350; (2) amendment \$40,332 in State Safe Schools revenue and the related expenditures as presented; (3) increase Career Ladder revenue by \$41,082, reduce Extended Contract revenue by \$47,135 and reduce Career Ladder and Extended Contract expenditures by \$6,063 as presented; (4) amend \$691,651 from the GPS Fund Balance in order to fund \$642,500 in retirement incentives and \$49,151 in related benefits as presented; (5) amend \$37,950 in Other State Education Funds, Account 46590 in order to fund \$33,269 in additional pay for Adult Education teaches and \$4,681 for benefits; (6) amend \$407,910 to the Central Middle Renovation Building Improvements from available funds as presented and to amend \$222,229 to Site Development for the future Rockvale High with \$43,014 coming from the Holloway HVAC and \$179,215 from the Rockvale City/County sewer project and (7) amend the Centralized Cafeteria Fund by a net reduction in revenues of \$786,386 and a net decrease in expenditures of \$1,032,000 as presented. This motion passed unanimously by roll call vote."

Chairman Bullen next advised for the information of the Committee that Andre Fresco had called needing to present a proposed budget transfer that was within his budget. Because the School Board budget was being presented and the transfer was money within his budget, Chairman Bullen advised he had told Mr. Fresco to take the budget amendment forward to the Budget Committee.

There appearing to be no further business to come before the Committees, Chairman Bullen declared the meeting adjourned at 6:43 p.m.

BOB BULLEN, Chairman